

MENTAL HEALTH CODE (EXCERPT)
Act 258 of 1974

330.1818 Adult inpatient psychiatric services less than 61 days, nonresidential services, and services to minors; provisions applicable to ability to pay; rules.

Sec. 818. (1) The department and community mental health services programs shall determine an adult responsible party's ability to pay for adult inpatient psychiatric services of less than 61 days, all nonresidential services, and all services to minors, on the basis of the adult responsible party's income in accordance with all of the following:

(a) The department or community mental health services program shall consider the adult responsible party's income to be taxable income as set forth in the adult responsible party's most recently filed state income tax return. If the parents of an individual, or the individual and spouse, are members of the same household but file separate income tax returns, the department or community mental health services program shall add together the separate taxable incomes to determine the ability to pay. If the parents or the individual and spouse are not members of the same household and they file separate tax returns, the ability to pay of each parent or of the individual and his or her spouse shall be determined separately.

(b) If an adult responsible party has not filed a state income tax return, the department or community mental health services program shall determine the adult responsible party's income from those financial documents that are legally available, based on the same factors that determine taxable income under subdivision (a).

(c) Relying upon an adult responsible party's income as determined under subdivision (a) or (b), the department and community mental health services programs shall determine ability to pay based on an ability-to-pay schedule developed under subsection (2).

(d) An adult responsible party's ability to pay for a calendar month or any part of a calendar month is the amount specified as the monthly amount in the applicable ability-to-pay schedule.

(e) A parent shall not be determined to have an ability to pay for more than 1 individual at any 1 time, and a parent's total liability for 2 or more individuals shall not exceed 18 years.

(f) If either parent or either spouse has been made solely responsible for an individual's medical and hospital expenses by a court order, the other parent or spouse shall be determined to have no ability to pay. The ability to pay of the parent or spouse made solely responsible by court order shall be determined in accordance with this section. The ability to pay of a parent made solely responsible by court order shall be reduced by the amount of child support the parent pays for the individual.

(g) If an individual receives services for more than 1 year, the department or community mental health services program shall annually redetermine the adult responsible parties' ability to pay on the basis of the most recently filed state income tax return or as provided in subdivision (b).

(2) The department shall promulgate rules to establish an ability-to-pay schedule that is fair and equitable. The schedule may take into consideration geographic cost-of-living differences. The department shall review the ability-to-pay schedule at least every 3 years and shall update the schedule as necessary. The department shall submit proposed rules under this subsection within 6 months after the effective date of the amendatory act that added section 819.

History: 1974, Act 258, Eff. Nov. 6, 1974;—Am. 1981, Act 91, Imd. Eff. July 2, 1981;—Am. 1995, Act 290, Eff. Mar. 28, 1996.

Administrative rules: R 330.1001 et seq. of the Michigan Administrative Code.